

Minutes

State, Local Education and Local Government Insurance Committees

April 24, 2025

1:00 P.M.-3:00 P.M. (central)

The State, Local Education and Local Government Insurance Committees met on Thursday, April 24, 2025 at 1:00 p.m. (central), in the Nashville Room, Third Floor, William R. Snodgrass TN Tower, Nashville, TN and via Cisco Webex.

Chairman Jim Bryson, Commissioner of Finance and Administration, called the Insurance Committees meeting to order at 1:00 p.m. (central) and noted the following delegates were in attendance: Greg Cothron on behalf of Comptroller Jason Mumpower and Rick DuBray on behalf of Treasurer David Lillard.

State Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the State Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Greg Cothron, representing Jason Mumpower, Comptroller of the Treasury
- Carter Lawrence, Commissioner, Commerce and Insurance (by teleconference)
- Juan Williams, Commissioner, Human Resources
- Judi Knecht, state employee representative
- Michelle Consiglio-Young, state employee representative
- Keisha Pittman, Tennessee State Employees Association (by teleconference)
- Rob Chance, representing Higher Education (UT System)
- Sen. Bo Watson, Chair of Senate Finance, Ways and Means Committee (by teleconference)
joined after roll call
- Rep. Gary Hicks, Chair of House Finance, Ways and Means Committee (by teleconference)
joined after roll call

Local Education Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the Local Education Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Greg Cothron, representing Jason Mumpower, Comptroller of the Treasury
- Carter Lawrence, Commissioner, Commerce and Insurance (by teleconference)
- Maryanne Durski, Chief Financial Officer, Department of Education
- Jennifer White, Tennessee School Board Association (by teleconference)
- Erin Johnson, East TN School Employee representative (by teleconference)

Absent:

- Vacant seat in West TN
- Vacant Seat in Middle TN

Local Government Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the Local Government Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Greg Cothron, representing Jason Mumpower, Comptroller of the Treasury
- Shanna Boyette, Tennessee County Services Association
- Jennifer Moody, Tennessee Municipal League **joined after roll call**

Announcements & Welcoming

Chairman Bryson welcomed and introduced Jennifer Moody to the Local Government Insurance Committee as the newly appointed member for Tennessee Municipal League. He noted that she is the City Manager for Belle Meade.

Determination of Necessity for Local Education Insurance Committee

Chairman Bryson detected a quorum for each committee. The Local Education Insurance Committee did not have a physical quorum in the room. Under T.C.A. Section § 8-44-108, the Committees are allowed to rely on the participation of members by electronic or other means to constitute a quorum only upon a finding of a determination of necessity by the Committee. Chairman Bryson asked for a motion to approve a Determination of Necessity for the Local Education Insurance Committee due to the time-sensitivity of the matters on the today’s agenda.

Ms. Durski moved to approve a Determination of Necessity for the Local Education Insurance Committee due to the time-sensitivity of the matters on the today’s agenda. Mr. DuBray seconded the motion. No further discussion occurred and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Durski	Yes
White	Yes	Johnson	Yes
Bryson	Yes		

It was noted that this action is required to be sent to the Secretary of the State within 48 hours of the committee making and approving this motion. Benefits Administration (BA) staff will file this with the Secretary of the State’s office in a timely manner.

Agenda Item #1 – Public Comment

No one in the room or virtually asked to be recognized to address the committee members.

Agenda Item #2 – [Action] February 27, 2025 Minutes (All Committees)

Chairman Bryson noted that Laurie Lee, Executive Director of BA, asked to give a clarifying statement regarding the Carrum bundled contract implementation. Ms. Lee reminded the committee about the approval of the Carrum bundles in January and clarified that we are currently in the first year of implementation now and that year one is not next year.

For the State Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes from February 27, 2025. Commissioner Williams moved to approve the motion. The motion was seconded by Mr. Chance. No discussion occurred and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes
Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes from February 27, 2025. Ms. Durski moved to approve the motion. The motion was seconded by Mr. DuBray. No discussion occurred and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Durski	Yes
White	Yes	Johnson	Yes
Bryson	Yes		

For the Local Government Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes from February 27, 2025. Ms. Boyette moved to approve the motion. The motion was seconded by Mr. Cothron. No discussion occurred and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Boyette	Yes	Moody	Yes
Bryson	Yes		

Agenda Item #3 – [Action] Approval of Medical Plan Document Updates (All Committees)

Chairman Bryson recognized Tresa Jones, Director of Health Plan Policy for Benefits Administration (BA) and Dr. Andrea Dowdy, Clinical Director (BA), to present the Medical Plan Document (PD) updates to all three committees. Ms. Jones presented to the committees the following:

- Section 4 Coverage Termination and Continuation –for Local Government PD
- Section 1 Definition for Agency Benefits Coordinator – for all committees’ PD
 - And related definition for Memorandum of Understanding – for Local Government & Local Education PD
- Section 1 Definition for “Anatomic Impairment” – for all Committees’ PD
 - And related text in Section 12 Covered Expenses and Exclusions and Limitations – for all Committees PD

Ms. Jones stated the Local Government Plan Section 4 updates mainly reorganize existing provisions, similar to those approved for State and Local Education in February, with exceptions for necessary customization. None of these changes is a substantive change. They are intended to clean up and add clarity to the sections.

Dr. Dowdy, Clinical Director, continued the presentation and said, due to member feedback, BA recommends adding a definition for “Anatomic Impairment”. This would require updating the PDs for all Committees. Dr. Dowdy also noted related changes to Section 12 Covered Expenses and Exclusions and Limitations for all Committees.

Ms. Boyette asked BA staff if Section 4 is updated with the recommended changes, will those who have open enrollment during December have adequate time to send documentation? Ms. Jones responded saying there should be no issues or delay for those agencies that have an open enrollment in December with the December 31st deadline. It should be ample time for the member and allows enough time for staff to process the documents as well.

Ms. Boyette asked if Section 4.02 Continuation of Dependents for Active have six months to transition to Cobra, if the same was true for Retirees as well. Ms. Jones confirmed that it was.

Chairman Bryson asked how “update” is being applied. Ms. Jones stated that it is a term that captures anything from clarification, reorganizing, to simplifying the PD.

The detailed PD recommended changes shared with the Committees and presented for vote are found in Attachments B, C, and D to these minutes.

For the State Insurance Committee, Chairman Bryson asked for a motion to approve amendments to the PD Sections 1 and 12, as presented with the language provided in attachments D and E. Commissioner Williams moved to approve. The motion was seconded by Mr. Chance. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes

Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee, Chairman Bryson asked for a motion to approve amendments to the PD Sections 1 and 12, as presented with the language provided in attachments D and E. Ms. Durski moved to approve. The motion was seconded by Chairman Bryson. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Durski	Yes
White	Yes	Johnson	Yes
Bryson	Yes		

For the Local Government Insurance Committee, Chairman Bryson asked for a motion to approve amendments to the PD Sections 1, 4 and 12, as presented with the language provided in attachments B, C, D and E. Ms. Boyette moved to approve. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Boyette	Yes	Moody	Yes
Bryson	Yes		

Agenda Item #4 – [Action] Approval of Shanna Boyette to the Audit Committee (All Committees)

Chairman Bryson recognized Executive Director Laurie Lee. Ms. Lee informed the Committees about the open vacancy on the Audit Committee due to Kevin Krushenski’s resignation in February of this year. The term for the seat is January 1, 2025 through December 31, 2027. She also told the Committees that the Charter requires all Committees to vote on this open appointment, and that each committee be represented. Shanna Boyette was recommended to fill the Local Government representative to the Audit Committee.

For the State Insurance Committee, Chairman Bryson made the motion to approve Shanna Boyette as the Local Government representative to the Audit Committee. The motion was seconded by Commissioner Williams. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes

Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee, Chairman Bryson asked for the same motion for the approval for Shanna Boyette as the Local Government representative to the Audit Committee. Mr. DuBray moved to approve. The motion was seconded by Mr. Cothron. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	White	Yes
Johnson	Yes	Durski	Yes
Bryson	Yes		

For the Local Government Insurance Committee, Chairman Bryson asked for the same motion for the approval for Shanna Boyette as the Local Government representative to the Audit Committee. Ms. Moody made the motion to approve. The motion was seconded by Chairman Bryson. Ms. Boyette stated for the record she would abstain. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Boyette	Abstained	Moody	Yes
Bryson	Yes		

Agenda Item #5 – [Action] Drug Savings Review Program (All Committees)

Chairman Bryson recognized Dr. Missy Tucker, Director of Pharmacy, FSA and HSA, to present the Drug Savings Review Program. Prior to Dr. Tucker’s presentation Ms. Lee reminded the committee members of BA’s mission to provide comprehensive, affordable, dependable and sustainable benefits and that this is becoming more difficult as we face the increase in pharmacy cost. At next month’s meeting the committees will have important decisions to make to address this challenge.

Dr. Tucker gave an overview of pharmacy benefits and why BA is seeking approval for the Drug Savings Review Program. She highlighted that this program would improve member health and reduce pharmacy expenditures. The pharmacy benefit manager (PBM) has daily reviews of claims to identify such issues as members who are at risk for drug-induced conditions, and evaluate factors such as:

- Age-related factors
- Appropriate therapy management
- Condition management
- Duration of therapy
- Gastrointestinal issues

- Therapeutic duplication
- Dose optimization

Through the program the PBM may make a recommendation to the provider or prescriber concerning a prescription. Any prescription change is not done without explicit permission from the provider. Some potential scenarios that could come from this request are the following:

- Prescribe a different medication
- Discontinue the medication
- Taper off the medication
- Adjust the dose of the medication
- Reduce the quantity of medication

The Drug Savings Review Program offers key benefits, including plan savings and cost-effectiveness, while ensuring no member disruption and maintaining clinical integrity. The Program would have a 2:1 return on investment (ROI) in the first year, with an estimated fifteen million dollars.

Ms. Consiglio-Young asked how the Program would work in practice and what would trigger the input. Dr. Tucker gave an example by stating the PBM runs claims data daily and through that process the PBM may come across a member who is seeing multiple providers and the member may be getting similar medications from separate providers, perhaps not the exact same medications, but the same class – this is example of a potential duplication prescription.

Ms. Moody asked to clarify that the provider had to sign off on the suggested change before any action could occur. Dr. Tucker confirmed. Ms. Moody asked if there was data to support the potential savings from this Program. Dr. Tucker said that moving to less expensive medications is one way to help reduce costs. She further stated that prescribers have given positive feedback to Caremark about this program. It has caught things like multi-prescribed patient when the patient may only need one prescription. Ms. Lee also responded to Ms. Moody that the ROI is a guaranteed sum and that, should the Committees approve the program, part of the proposed motion would be to amend our contract with Caremark to add the thirty cents Per Member Per Month fee, and ROI guarantee. Ms. Moody stated she was happy to hear the providers are aligned with this practice.

Chairman Bryson asked how the communication is done. Dr. Tucker reinforced that the prescription recommendation is from the PBM to the provider. If the member does not want to change that would be between provider and the member. Chairman Bryson asked if this would likely be reviewed upon the original prescription used and if the patient was wanting a refill of the prescribed medication.

Ms. Consiglio-Young was concerned the program may be seeking the cheapest medication versus providing the best service. Dr. Tucker gave a scenario if the patient is taking a brand name medication and there is a generic substitute. This would initiate a discussion for the patient and provider. The provider would then decide if that is appropriate or if the patient should stay on that medication.

For the State Insurance Committee, Chairman Bryson asked for a motion to approve the Drug Savings Review Program and amend the current PBM contract with Caremark to 1) add the Drug Savings Review Program, 2) increase the Per Member Per Month fee \$.30 and 3) require a 2:1 Return on Investment year 1 and a 3:1 Return on Investment subsequent program years, as presented today and as outlined on slides 25-27. Commissioner Williams made the motion to approve. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes
Chance	Yes	Watson	Yes
Hicks	Yes	Bryson	Yes

For the Local Education Insurance Committee, Chairman Bryson asked for a motion to approve the Drug Savings Review Program and amend the current PBM contract with Caremark to 1) add the Drug Savings Review Program, 2) increase the Per Member Per Month fee \$.30 and 3) require a 2:1 Return on Investment year 1 and a 3:1 Return on Investment subsequent program years, as presented today and as outlined on slides 25-27. Ms. Durski made the motion to approve. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Lawrence	Yes	White	Yes
Johnson	Yes	Durski	Yes
Bryson	Yes		

For the Local Government Insurance Committee, Chairman Bryson asked for a motion to approve the Drug Savings Review Program and amend the current PBM contract with Caremark to 1) add the Drug Savings Review Program, 2) increase the Per Member Per Month fee \$.30 and 3) require a 2:1 Return on Investment year 1 and a 3:1 Return on Investment subsequent program years, as presented today and as outlined on slides 25-27. Ms. Boyette made the motion to approve. The motion was seconded by Ms. Moody. No further discussion occurred, and a roll call vote was taken.

Cothron	Yes	DuBray	Yes
Boyette	Yes	Moody	Yes
Bryson	Yes		

With no further business, Chairman Bryson adjourned the meeting at 1:51 p.m. (central).
The next meeting of the State, Local Education and Local Government Insurance Committees is
scheduled for May 22, 2025 at 1:00 p.m. (central) in the Nashville Room.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Laurie S. Lee".

Laurie S. Lee